

# Annual Report and Accounts 2019-20

## St Barnabas Hospices (Sussex) Ltd.

### St Barnabas House

#### Registered Office

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BN12 6NZ

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[info@stbh.org.uk](mailto:info@stbh.org.uk)

[www.stbarnabas-hospice.org.uk/](http://www.stbarnabas-hospice.org.uk/)

### Chestnut Tree House

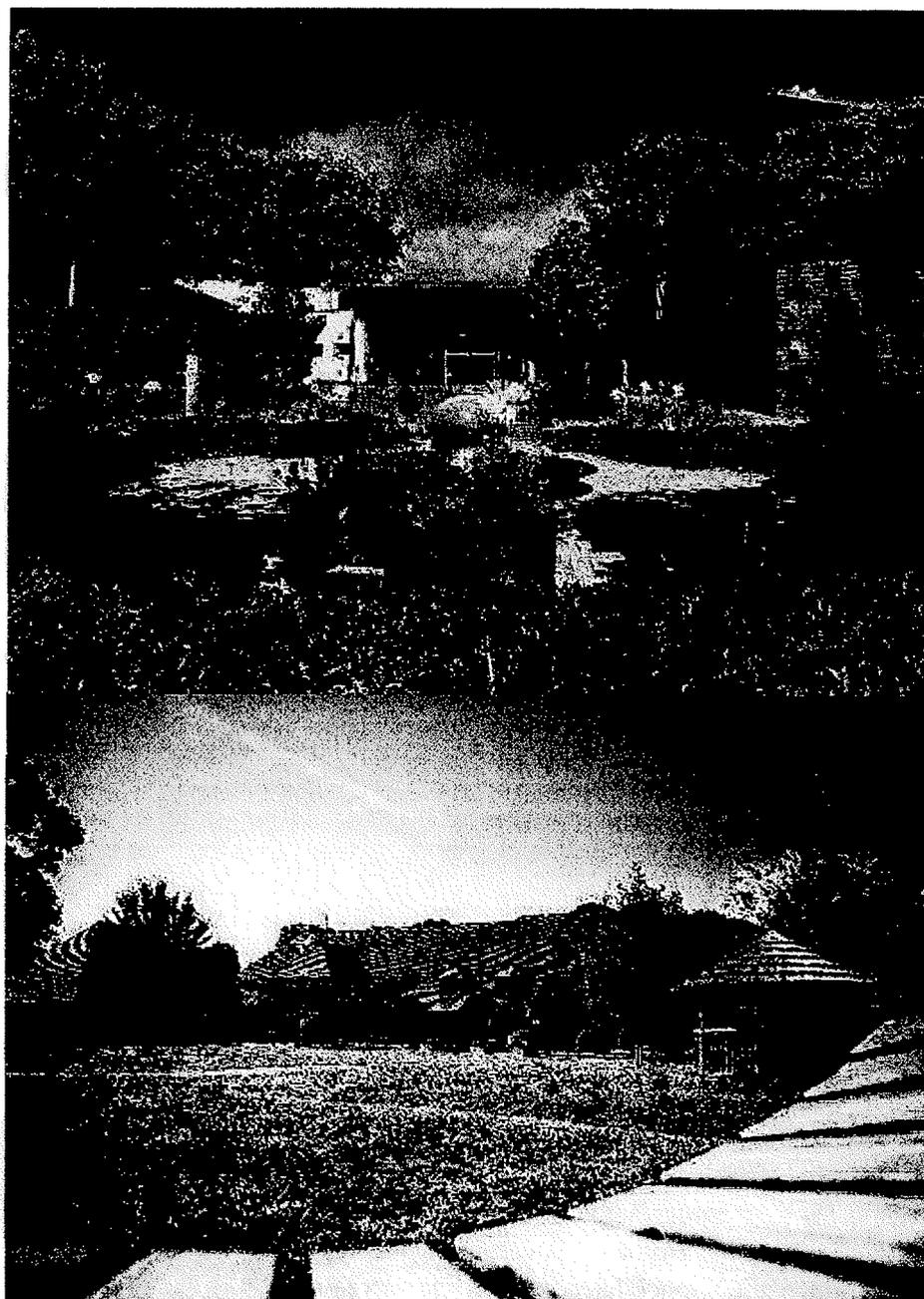
#### Children's Hospice

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BN18 9PX

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Charity no. 256789  
Company no. 00930107

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### ***Prepared in accordance with the requirements of:***

*The Charities Act 2011*

*The Companies Act 2006*

*St Barnabas Hospices' Governing Documents*

*Relevant Financial Reporting Standards (FRS 102)*

*Charities SORP (FRS 102) 2019*

*Charity Commission Guidance (public benefit statements)*

## An Introduction from Our Chair and Chief Executive:

Welcome to the 2019-20 Annual Report and Accounts which, we hope, provide an insight into the achievements, challenges, and opportunities we have faced over the past year. On behalf of our Board of Trustees, we would like to take this opportunity to thank all our staff, supporters, and volunteers for their continued dedication. What we have achieved so far would have not been possible without all their hard work, focus and commitment.



With their help and support this year, we have been able to care for 1,965 adult patients and 345 children and young people and provide support for their families. To provide the care and support services across the adult and children's hospices, we spent £13.6m during the year. The NHS contributed 15%, and the remainder of our income was generated through fundraising, retail operations, lottery, donations, and legacies. It is only the ongoing, generous support of our communities that makes it possible to do our work.

We fully understand that our health and social care partners are themselves facing significant financial challenge. However, the fact that NHS funding has seen very little increase over the last ten years, has put even more pressure on fundraising and the local communities to resource the difference. As a result, the Board of Trustees and the Senior Management Team recognised the need to make recurrent savings, to ensure that our services are available not just for those who need them now, but also for future patients, their families, and carers.

So, we have had a very busy year, and 2019-20 saw the development and launch of our new 5-Year Patient-Led Strategy – **Hospice Care – at the heart of everything we do** – and its related work-plans. We believe that everyone deserves the highest standard of palliative and end of life care, and we strive to ensure that children, young people and adults, their families and carers, are cared for and supported at the right time in the right environment, according to their needs and wishes.

2019-20 has not been without its challenges. As the whole of the hospice sector, we are facing a growing demand for our services, and to enable us to respond we must grow our workforce, expand our services and develop our facilities. To maintain the high quality that our communities have come to expect, more funding is required. The 5-Year Patient-Led Strategy and its related work plans set out key activities to generate new sources of income, increase our efficiencies and strengthen existing sources of funding.

At the end of this financial year, we have, unfortunately, encountered the challenges brought about by the Coronavirus pandemic. We all know that there will be some really difficult months ahead of us, with the healthcare system, including hospices, falling under tremendous pressure.

COVID-19 had an immediate impact on Chestnut Tree House, as we had to suspend respite care both at the House and in the community, but we remained open for end of life care and emergency respite care.

At St Barnabas House, we had to reprioritise services, ensuring that those most in need received immediate care, and closed some of the non-essential support, such as Day Hospice activities. To ensure that our patients, families, and carers still received support in these challenging times, we launched the *Helping Hands* service offered to patients and vulnerable volunteers in the community. The focus of the service was doing shopping trips and prescription pick-ups and making phone calls to keep in touch and help tackle loneliness.

The activity presented within this report demonstrates some of our strategic plans in action. Our focus is on expanding our reach and supporting more people who are facing death, dying, grief and loss. We are making better use of technology (through a new database at Chestnut Tree House) that has enabled us to deliver high quality services more cost effectively. Our objectives for 2020-21 represent further steps in this work.

Chair

Chief Executive



We are caring



We are courageous



We are connected

## Objectives and Activities



Located in Worthing, **St Barnabas House** is the adult hospice for the local community, encompassing Adur, Arun, Worthing, and part of Chanctonbury (Henfield, Storrington and Billingshurst). We offer specialist palliative care services for adults in the last year of life, facing cancer or non-cancer related illnesses.

We care for the whole person, aiming to meet all their needs – physical, emotional, social, and spiritual. A serious illness will have a social and emotional impact on the people involved, as well as the physical effects. The team at St Barnabas House have the skills to help and have been supporting the local community since 1973.

Many people still think of a hospice as a place where people go to die, and while we do look after people in the last days of their lives, it is only a part of what we do. Our other services include symptom management and pain relief, respite care and counselling for both the patient and their family. The hospice also has physiotherapists, occupational therapists, an artist in residence, counsellors, social workers and community and hospice at home teams, who support patients in their own homes.



**Chestnut Tree House** is the children's hospice for East Sussex, West Sussex, and South East Hampshire. The children's hospice was opened in November 2003. We offer specialist palliative care to children and young people suffering from life-limiting and life-threatening illnesses. Life limiting means that the children are not likely to reach older adulthood and includes disorders such as Muscular Dystrophy, Spinal Muscular Atrophy, multiple disabilities, cancer, and progressive genetic disorders.



The hospice provides support for the whole family, offering psychological support, care following bereavement, palliative, end of life and respite care, and sibling support. Our skilled nurses and care support workers provide care at the hospice or in the family's own home. Families can stay in the special family accommodation at Chestnut Tree House or leave their children in the capable hands of the care team while they take a few days' break. There are also activity days and outings during the holidays for the children and their siblings.

Chestnut Tree House has its own hydrotherapy pool, a multi-sensory room, music and computer rooms, and space for art and play therapy. The hospice offers families a home from home environment; it is a place of love, understanding and caring, a place of fun, laughter, hope, friendship and sometimes sadness - most of all, Chestnut Tree House is a place for living.

# Our Mission, Vision and Values

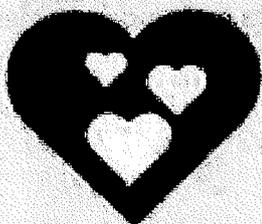
## Vision

Anyone facing life-limiting illness should receive the care and support they deserve

## Mission

St Barnabas and Chestnut Tree House hospices seek to achieve dignity, comfort and choice for adults and children facing life-limiting illnesses through specialised supportive care

## Values



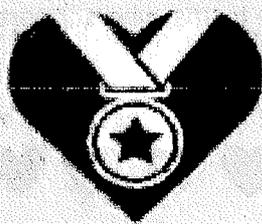
**We are caring**

Place children and adults, their families and carers at the heart of all we do

We care passionately about the difference we make

We have the courage to aspire to deliver excellence in all we do

We listen, connect with and understand the needs of the people we support and work with and ensure we respect their choices



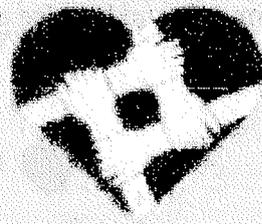
**We are Courageous**

We are inclusive and treat everybody with compassion, care, dignity and respect

We work as a team to motivate, encourage and support each other

We are ambitious, brave, and innovative and continually strive to improve our knowledge and skills

We are connected and work collaboratively with others through strong partnerships



**We are Connected**

Registered charity no 236294

**B**  
St Barnabas  
Hospice

**C**  
Chestnut Tree  
Hospice

Children's  
Hospice Care

## Strategic Report

### Our 5-Year Patient-led Strategy

Over the years, our services across St Barnabas House and Chestnut Tree House have been shaped by various factors such as advances in medicines, increased demand and pressure on the wider healthcare system, which have provided the opportunity to formulate a new strategy that ensures our service provision and facilities are fit for purpose and available to all those that need them.

The charity has identified **four key areas** to focus on during the coming years:

### *Hospice Care – At the heart of everything we do*

#### **Be excellent in all we do with compassion, innovation, and integrity**

- Continue to place children, young people and adults, families, and carers at the heart of everything we do
- Provide excellent care in line with national standards
- Strive to provide efficient and meaningful care and support across our communities
- Create an environment that fulfils the emotional, pastoral, and social needs of children, young people, adults, their families, and carers
- Be a listening organisation and proactively respond to needs

*We are instrumental in ensuring children, young people and adults are cared for at the right time in the right environment*

#### **Reach everyone who needs our help**

- Provide care and support services to those unable to access our facilities
- Efficient and effective use of existing and emerging technology
- Work in partnership with other community organisations to further understand the local needs
- Learn and share experience and best-practice with others
- Understand our hard-to-reach communities and identify the potential barriers in accessing our services
- Engage, educate, and inform others of the services we provide
- Review the brand positioning and identity of both hospices

*We will work collaboratively to provide care and support in the patient's place of choice*

#### **Become leaders and innovators in research and education**

- Drive the national research agenda
- Engage with local and national organisations and key decision-makers to influence policy and best practice
- Work closely with local organisations to share skills, expertise, and knowledge

*We will strive to provide a focus of expertise in palliative and end-of-life care through research and best practice*

#### **Provide sustainable healthcare true to our Values**

- Expand our strategic income generation programme, including fundraising, retail, Lottery, and legacies, and explore potential for increased statutory and voluntary revenue
- Become the charity of choice for employment and volunteering
- Increase apprenticeships to support our workforce plans and ensure the right skill mix within the hospices
- Expand and further develop strong internal Staff and Volunteer Engagement Strategy
- Explore opportunities to reduce our carbon footprint

*Find the balance between economic, social and environmental needs over the long-term*

## Achievements and performance

### St Barnabas House

During the year, St Barnabas House provided care and support to 1,965 patients, including 1,199 newly referred patients. We care for people of all ages (18+) and in the last year 15% of our patients were under the age of 65 years.

#### In-patient unit

477 patients were admitted to the in-patient unit. The adult hospice provides end of life care, not only to those who have been diagnosed with cancer but also to those patients with end stage respiratory, liver, heart, or renal diseases. Last year patients cared for with a non-cancer diagnosis was 32%.

#### Community services

St Barnabas House also has a **Community Palliative Care Team**, these nurses are often the first point of contact for patients, visiting people in their own homes and providing specialist advice and signposting to other hospice services. 14,410 telephone calls and 5,396 visits were carried out by this team in the year.

Some people need hands-on end of life care provided in their homes, to fulfil this need we have a **Hospice at Home Team**. 10,933 patient visits were made supporting 381 patients in the community.

#### Family support

The adult hospice has a Family Services Team who offer support to families and those who have lost a loved one. 2,754 sessions were provided by this team in the year.

#### Day services

Each year hundreds of patients benefit from the day services, outpatient clinics, wellbeing classes and complementary therapies. 3,200 therapy sessions were provided in the year.

### What the patients and families say

*"My lifelong friend recently passed away at St Barnabas and I feel so overwhelmed by the amazing care and support she received from the beginning right up to the end that I wanted to say thank you. Her family continue to be supported and helped through this devastating loss. Massive thank you to everyone concerned."*

*"Just wanted to pass on our heartfelt thanks for the wonderful treatment that our dearest mom received during her last few weeks of life. The love, care and support of your fantastic staff to us all, especially the hugs in the corridor at our weaker moments. She forged a particularly close bond with her special team of [...] for which we are so grateful."*



## Fundraising, Retail, Marketing and Communications

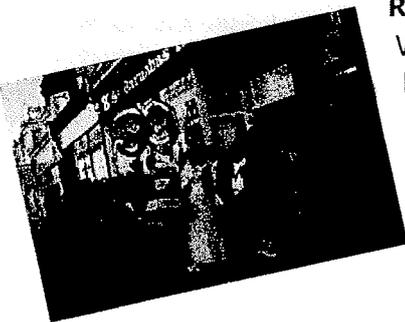
In 2019-20 we have seen a noticeable decrease in overall income, with a significant drop in legacies. Although the COVID-19 pandemic's impact began at the end of the financial year, it had an immediate effect on some our services, as well as income generation, with perceptible effects on retail.

### Income and legacies

The income for both hospices (excluding legacies) from all fundraising activity, donations, retail, trading, and lottery totalled £9.81m. This is a 2.3% reduction on the previous year as donations were lower. Legacy income was £3.71m, this is a drop on the previous year's total of £4.95m.

### Lottery

The hospices lotteries generated a £1.29m contribution after costs and finished the financial year with a total of 41,000 weekly active playing memberships. This continues to be a key area of long-term investment and the charity operates one of the largest lottery income generators when compared to the other UK hospice lotteries. This provides a valuable and sustainable resource for funding our hospices care services.



### Retail

We currently have 23 shops across the hospices' catchment area. The retail business generated sales of £3.07m leading to a profit of £0.9m (£0.5m after the allocation of general central support costs). In the last week of the financial year all the charity's shops were closed due to the coronavirus lockdown. The lost revenue caused by the downturn in activity during the pandemic prevented the charity from achieving £1m retail profit for the year.

### Gift Aid

Gift aid income on stock donations to our shops brought in £189k – 30% of all donated items sold were Gift aided.

### Pay-For-A-Day

Pay-For-A-Day continues to be generously supported by individuals and corporates and our Snowman Spectacular Ball raised over £405k on the night for Chestnut Tree House. The charity is blessed with the support and loyalty of generous individuals and organisations and we thank them for their support for both hospices.

### Snowman Spectacular

We were very proud to have been presented the Hospice UK's '**Innovation in Income Generation Award**' last November, which was in recognition of our Sussex-wide Snowman campaign. In 2019-20, the 12<sup>th</sup> annual fundraising ball raised £404,665.



We depend on volunteers, especially for community fundraising and at our Hospice Events, and we are fortunate to have around 1,900 active fundraising volunteers.

## **Our Fundraising Practices**

The charity paid its membership fees to the Fundraising Regulator and the Institute of Fundraising. We have continued to closely manage all our out-sourced fundraising contracts and agencies (especially for our Lottery). Compliance with fundraising standards, outsourced contracts and any complaints about fundraising are monitored by the charity's Income Generation Committee.

Talking to members of the public in person and speaking to existing supporters on the telephone, along with writing to them, are some of the most important ways to engage people with our work and raise vital funds. Our staff carry out these activities and we also work with external organisations who have specific expertise for obtaining lottery members. We do this so we can talk to as many people as possible in the most cost-effective way.

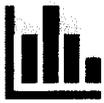
We have robust contracts in place with external organisations specifying that staff who carry out these activities should be trained to adhere to applicable laws and codes, such as the Code of Fundraising Practice and the General Data Protection Regulation. Each new lottery member is called by an employee of the charity to ensure they are happy to support and understand our charity, this enables us to monitor the external organisations by obtaining direct feedback from the supporter that they were engaged with.

We strive to ensure that our supporters have a great experience and that all supporters, including vulnerable people, are treated fairly. If we find cause for concern, we investigate as a matter of urgency.

We recorded a total of 67 (2019: 76) complaints in the year about fundraising but did not identify any failure to comply with the applicable laws and codes.



## Financial Review



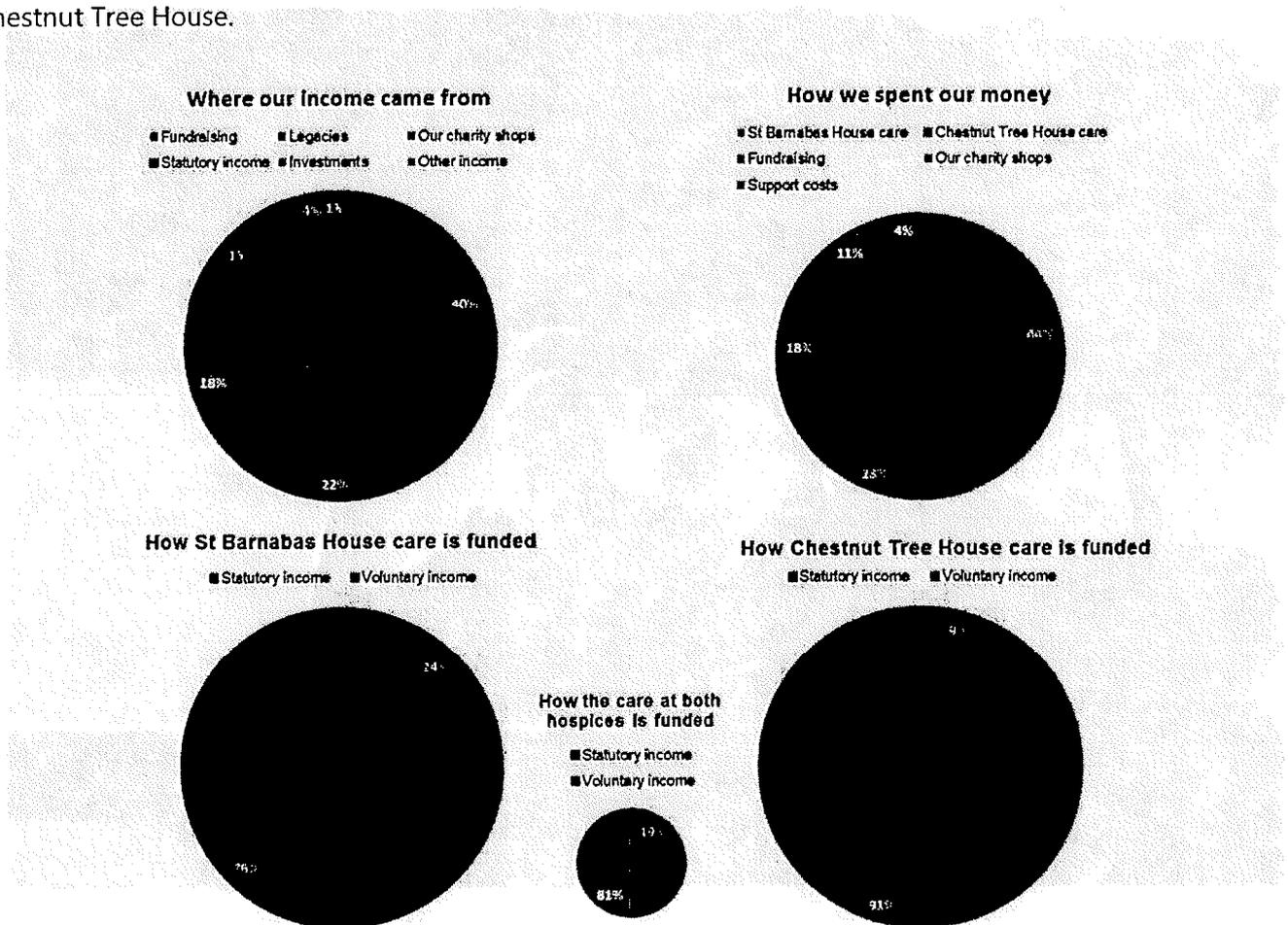
The results for the year are shown in the Statement of Financial Activities. Income totalled £16.9m (2019 - £18.5m) representing 8.6% reduction from the previous year. The level of income over expenditure, produced a deficit of £3.2m (2019 - deficit £0.8m), before changes in the value of investments

The charity continues to invest in the growth of its retail business, fundraising and contractual income in order to continue to diversify income streams in light of the changing healthcare funding environment, to ensure our services reach more people who need them.

The decrease in the stock market over the year resulted in an unrealised loss on investments of £1.59m (2019 – gain £1.26m). This non-cash unrealised loss on investments resulted in the net movement on funds for the year to be a deficit of £4.8m, (2019 - surplus £0.4m). The investments provide an income stream to the hospices, and this was £0.78m in the year, 5% of total income.

The charity received a grant from Coastal West Sussex Clinical Commissioning Group (CWS CCG) of £1.35m (2019 - £1.35m) for the adult hospice. The children's hospice received a grant from the Department of Health of £0.25m (2019 - £0.23m).

Almost 80% of the charity's income comes from voluntary sources, i.e. fundraising, lottery, legacies, and retail shops. Only 15% of the income derives from the Government, for St Barnabas House this equates to 24% of the care costs being funded by the NHS and for Chestnut Tree House only 9% of the care costs are state funded. Of the total expenditure 67% was spent on providing direct care services at St Barnabas House and Chestnut Tree House.



## Reserves Policy



The organisational reserves policy seeks to balance spending the maximum amount of income raised as soon as possible after receipt with maintaining the minimum level of reserves to ensure uninterrupted operation and provide time to adjust to a change in financial circumstances.

St Barnabas Hospices hold reserves to improve both the financial security and the operational flexibility of the two houses. The Trustees consider that the level of reserves held should be sufficient to cover the risks the charity is exposed to, including safeguarding against the volatility of key income streams.

The organisation's income is heavily dependent on the public's generosity, with over 80% of income for the past year having been raised through voluntary sources and charity shops (70% of St Barnabas House, and 93% of Chestnut Tree House's income). The Trustees recognise that unforeseen fluctuations in the flow of funds from the public, could seriously reduce the charity's ability to operate on a day-by-day basis.

A key objective of the hospices' services is to simplify their provision while maintaining the highest standard of care support that our communities have come to expect. The Trustees cannot countenance the risks that beneficiaries should ever have their care and support curtailed due to purely financial considerations. It is also prudent and desirable to ensure that any risks and challenges faced by the hospices in the short and medium term can be met without interruption to services.

In the last year, statutory funding only covered 19% of annual costs. This increases both the financial and liquidity risks to the charity, as the largest proportion of our income is received from voluntary sources and can vary against on-going annual cost which are relatively fixed.

There is a need to retain free reserves levels of 9-12 months unrestricted annual expenditure to ensure continuity of service over an extended period. The Trustees consider that the charity currently has sufficient readily available funds and realisable investments to sustain ongoing operations for approximately 11 months of budgeted expenditure for 2020-21. Having considered the forecast and commitments for future expenditure, together with potential vulnerabilities in income flow, the Trustees consider the level of free reserves at 31<sup>st</sup> March 2020 to meet the requirements of this policy, particularly taking into account the impact of COVID-19 on the income streams in 2020-21.

The organisational Reserves Policy is reviewed annually, to ensure is fit for purpose, up to date and reflects the legislative requirements. The purpose and use of each designated fund is explained in note 15.

	<b>£'000</b>
<b>Total funds held at 31<sup>st</sup> March 2020</b>	<b>41,780</b>
Less: Restricted funds	(192)
Amounts held as tangible fixed assets	(13,429)
Less: other designated funds:	
Revaluation reserve	(141)
Legacy equalisation fund	(6,819)
CTH development fund	(1,458)
STB development fund	(1,500)
<b>Free reserves at 31<sup>st</sup> March 2020</b>	<b><u>18,241</u></b>

## **Investment Policy and Objectives**

The Trustees intend that the charity's assets invested are secured and enhanced, where possible, by investing in equities, fixed income, property, and cash portfolio. Each year, the Trustees decide on the portfolio's appropriate rate of return.

Annually, the Trustees review the brief given to the investment managers regarding the proportion of investments to be held in each asset class within the portfolio, the level of acceptable risk, as well as the level of income required. The charity does not make investments in any stocks considered unethical in the context of the charity's objectives.

## **Investment Performance**

Since 1<sup>st</sup> April 2019, the investments' value has decreased by £0.2m to £23.7m. These investments have a historic cost of £25.1m. The dividend income received was £0.78m (2019 – £0.79m) which represents a yield on the weighted average of the portfolio of 3.3% (2019 – 3.5%). During the year the management of the investments was changed from Rathbones to Aberdeen Standard Capital. This resulted in a number of investments being recognised as disposed and re-acquired with a corresponding change in the historic cost. The Trustees are satisfied that the investment managers have met the objectives set.

## **Going concern**

These financial statements have been prepared on a going concern basis. The Trustees consider that the Charity holds sufficient reserves to deem the going concern basis appropriate as explained in note 1.2 to the financial statements.

## **Internal controls and risk management**

The Trustees are responsible for ensuring that there is effective risk management and appropriate internal control processes, focusing on the six potential areas of risk – strategic, financial, services, premises, workforce, and information.

## **Principal Risks and Uncertainties**

The Board of Trustees reviews the risk register monthly. The register identifies the controls put in place to ensure mitigation against each risk, alongside ongoing or planned actions to further reduce levels of risk.

The risk management process comprises the following:

- Identification and review of key risks facing the organisation, accompanied by consideration of strategies/plans to be employed to mitigate risks by the Executive Team
- Review of the updated risk register and the mitigation plans, by the Quality Assurance Committee
- Review and agreement of the risk register, and mitigation plans by the Board of Trustees
- Receipt of reports regarding progress and success of mitigation plans by the Board of Trustees

## **Engagement with suppliers, customers and others**

During the period the charity worked to strengthen its supplier and customer relationships, as ensuring that the company maintains an efficient and effective supply chain is critical to its long term success.

Throughout the period, the charity continued to actively engage with its customer base, building and strengthening its relationships and establishing clear lines of communication.

The charity continues to build on its business relationships in all areas; to promote best practice, increase efficiencies, and secure long-term, sustainable success.

## **Risks associated with COVID-19**

The Coronavirus is having a significant impact on several aspects of the organisation, some of which were felt in the latter part of 2019-20. The Trustees are continuously monitoring and assessing the ongoing impact to ensure that, where possible, mitigating actions are instigated. Key areas of focus are:

- Provision of clinical services and responding to future possible outbreaks
- Keeping staff and volunteers safe
- Income (both voluntary and statutory) - likely to experience a difficult fundraising environment, while some trusts, major donors and corporates who generously support our hospices may no longer be able to do so.

## Structure, Governance and Management

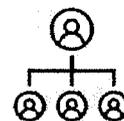
### Governing document

St Barnabas Hospices (Sussex) Ltd is a company limited by Guarantee and registered with Companies House. It is governed by its Memorandum and Articles of Association dated 20 March 1968 and amended by special resolutions passed on 17 November 1998, 25 February 2003, 13 November 2006, 11 May 2010, 12 November 2013, and 23 February 2016.

### Organisational structure

The Board of Trustees administers the charity and hold monthly meetings. There are further subcommittees, each of which are Chaired by a Trustee.

- The Quality Assurance Committee (QAC), which meets quarterly, is chaired by a nominated Trustee, and reviews the reports and outputs of all other operational committees and groups, for example the Health and Safety Committee
- Finance and IT Committee
- Human Resources Committee
- Income Generation and Marketing Committee



Each committee has its own Terms of Reference (ToR) and reports into the Board of Trustees.

The Board of Trustees seeks to ensure that all activities are within the organisation's charitable objectives. Its responsibilities include setting the strategic direction of the charity and approving the budgets. Other matters reserved for decision-making by the Board are clearly identified as part of the corporate governance documents. The Board considers and acts on advice and information presented at its regular meetings which are attended by the Chief Executive and members of the management team. Where appropriate, the Board also seeks specialist advice.

### Recruitment, appointment, and training of Trustees

As described in the Articles of Association, the maximum number of trustees is 15. Prior to the Annual General Meeting, when elections are held, members of the Association are informed of the names of retiring trustees and nominations for new trustees which they are asked to approve.

The Board appointed then confirms the Chair of Trustees and Hon. Treasurer annually prior to the AGM. Trustees serve for a maximum of three terms of three years. New trustees undergo a full induction and training programme, which includes a training pack, visits to both hospices, and the opportunity to meet the Senior Management Team and staff.

### Remuneration policy for key management personnel

The Trustees and the Senior Management Team comprise the key management personnel of the charity, in charge of directing and controlling the daily running and operation of the organisation. All Trustees give their time freely and receive no remuneration in the year.

The pay of the senior staff is reviewed annually in line with the organisational pay review and nationally benchmarked data, ensuring a competitive rate of pay is provided.

### Equality and diversity

St Barnabas Hospices have a zero tolerance to behaviours that discriminate or lack an equality in approach. We are planning to pilot a blind recruitment technique - i.e. the recruitment panel are not involved in the shortlisting process, hence the avoidance of any pre-judgement, biases (conscious or unconscious) playing their part in the selection process.

The charity undertakes full and fair consideration of all applications for employment from people with disabilities where the candidate's aptitudes and abilities, are consistent with adequately meeting the requirements of the role. Opportunities are available to employees with disabilities for training, career development and promotion. Where existing employees become disabled, it is the charity's policy to provide continuing employment wherever practical in the same or in an alternative position assisted by appropriate training.

We are committed to diversity and inclusion in all aspects of our work and have appropriate resources in place to deliver on this commitment. The charity has a Diversity and Inclusion Champions Group that includes representatives from across the organisation, with the aim of ensuring that employees, patients, and families from minority groups are represented. The group's activities include highlighting any diverse impact that changes to policy, practice and procedure of our services may have for people with protected characteristics.

### **Employee involvement**

Open and active engagement with our workforce is an important part of making St Barnabas Hospices an environment where people feel safe and proud to work in. We have several formal and informal means to enable staff and volunteer's engagement. To provide additional means of communication, engagement, and involvement, we have launched our intranet – The Heart - an invaluable hub of information, keeping our staff and volunteers connected.



### **Group structure**

St Barnabas Hospices (Sussex) Ltd owns two subsidiary companies:

- St Barnabas Hospice (Worthing) Projects Limited whose principal activity was to design, manage and build the new adult hospice
- St Barnabas Hospices (Sussex) Trading Limited whose purpose is to facilitate, in a tax compliant manner for the charity, certain activities such as trading bought-in goods. All the profits from the trading company are donated to St Barnabas Hospices (Sussex) Limited.

### **Public benefit**

All the activities undertaken by the charity are to further its charitable purposes for the benefit of the public. The charity's mission statement reads as follows:

*"Our mission is to achieve dignity, comfort and choice for adults and children facing life-limiting illnesses through specialised supportive care"*

The Trustees have complied with their duty under Section 17 of the 2011 Charities Act and have referred to Charity Commission guidance on public benefit. The main benefits, which have arisen during the year, because of the organisation's aims and activities, are detailed in this Annual Report.

### **Disclosure of information to the auditors**

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have undertaken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

## Statement of Trustees' responsibilities

The law requires the Trustees, who also act as directors for the purpose of Company Law, to prepare the Trustees' Annual Report (including the Strategic Report), and the financial statements for each financial year which give a true and fair view of the charity's current status and of its results for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and apply them consistently
- Observe the methods and principles of the Charities SORP (FRS 102) 2019
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards are being followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on a going concern basis, unless it is inappropriate to assume that the charity will continue in business

The Trustees are responsible for keeping appropriate accounting records which disclose with reasonable accuracy, at any time, the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charity and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities, and to provide reasonable assurances that:

- The charity is operating efficiently and effectively
- Its assets are safeguarded against unauthorised use or disposition
- Appropriate records are maintained, and financial information used within the charity or for publication is reliable
- The charity complies with relevant laws and regulations
- A system of effective clinical governance is in place

The systems of internal controls are designed to provide reasonable, but not absolute, assurance against material miss-statement or loss. They include:

- An annual budget approved by the Board of Trustees
- Regular forecasts to predict the likely outcome for the financial year
- Regular monitoring of actual performance against budgets and forecast
- Delegation of authority to managers for expenditure within budget limits
- Segregation of duties
- Identification and management of risks

## Auditors

Kreston Reeves LLP have indicated their willingness to continue in office and a resolution to re-appoint Kreston Reeves LLP as auditors will be proposed at the forthcoming Annual General Meeting (AGM).

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as Company Directors.

Approved by the Trustees on 3<sup>rd</sup> August 2020 and signed on their behalf by:

  
Chair  
Patricia Woolgar

  
Honorary Treasurer  
Martin Godsmark

## Who's Who

### Executive Team



Rosemarie Finley  
Chief Executive / Co. Secretary wef: July 2020)



Cathy Stone  
Clinical Director



Max Caunhye  
Director of Finance & IT / Co. Secretary  
(left June 2020)



Mrs Paula Strickland  
Interim Director of Finance and IT  
(appointed June 2020)



Stephanie Smith  
Director of Income Generation & Marketing  
(left January 2020)



Becki Jupp  
Director of Income Generation &  
Marketing (appointed April 2020)



Dave Hays  
Director of HR, Research and Education  
(appointed October 2019)

### Trustees



Patricia Woolgar  
Chair of Trustees



Neil Blanchard  
Trustee



Jill Carnie  
Trustee



Maureen Chowen  
DL Trustee



Tony Clark  
Trustee



Neil Gatley  
Trustee



Martin Godsmark  
Honorary Treasurer  
& Trustee



Lisa Kenna  
Trustee (appointed  
November 2019)



Tony Moss  
Trustee



Stuart Palma  
Trustee



David Pegler  
Trustee



Ruth Taylor  
Trustee



Nicky Torricelli  
Trustee (appointed  
November 2020)



Michael Rymer  
Trustee (resigned  
November 2019)



Mark Milling  
Trustee (resigned  
February 2020)

## Our President, Patrons and Ambassadors:

### President:

Lord Henry, Earl of Arundel

### Vice President:

Kathy Gore OBE, DL  
Sally Gunnell OBE, DL  
Ambrose Harcourt  
Dr Alan Kingsbury  
Mrs Elizabeth M Naunton  
Miss Margaret Stroud

### Patrons:

The Lord Lieutenant of West Sussex,  
Mrs Susan Pyper  
Margaret Bamford OBE DL  
Sir Peter Bottomley MP  
Lady Cable-Alexander SRN  
Sir Patrick Cable-Alexander Bt  
Nick Gibb MP  
Derwyn Jones  
Timothy Loughton MP  
Nick Neale  
Caroline Nicholls DL

### Ambassadors:

Glen Bacon  
Mike Belton  
Tony Butcher  
Steve Hobbs  
Patrick Hooper  
Ian Jaggard

## St Barnabas House Chestnut Tree House

### President:

Lord Henry, Earl of Arundel

### Vice Presidents

Kathy Gore OBE, DL  
Sally Gunnell OBE, DL  
Ambrose Harcourt  
Dr Alan Kingsbury  
Mrs Elizabeth M Naunton  
Miss Margaret Stroud

### Patrons:

The Lord Lieutenant of West Sussex,  
Mrs Susan Pyper  
Peter Andre  
Linda and Tony Bloom  
Sir Peter Bottomley MP  
Tim Breden  
Raymond Briggs, CBE  
Jason Burrill  
Michael Chowen, CBE, DL  
Nick Gibb MP  
Julie Graham  
Barry and Jacquie Hives  
Paul and Annette Jones  
Jodie Kidd  
Timothy Loughton MP  
Robbie and Debi Raggio  
Matt Turner

### Ambassadors

Natasha Baker  
Loren Charlton  
Colin Davis  
Julia Donaldson CBE and  
Dr Malcolm Donaldson  
Roger Forsdyke  
Chesney Hawkes  
Sarah Lawler  
Lester Magoogan  
Matt Prior  
Ben Richards  
Nic Roldan  
Joe Stilgoe  
The Snowman™  
Kenny Tutt  
Lukas Wojcik

## A Huge Thank You to All Our Supporters

We are deeply grateful to the individuals, corporate sponsors, trusts, and all those who have so kindly chosen to remember St Barnabas House or Chestnut Tree House in their wills.

Because of you, we have been able to provide care and support to over 2,000 people in the last year and thank you for making this possible.

## Greenhouse Gas (GHG) Emissions

In line with the Greenhouse Gas Protocol (GHG) Corporate Accounting and Reporting Standard, St Barnabas Hospices (Sussex) Limited (STB) has been engaged in a process aimed at reducing our greenhouse gas emissions.

STB currently maintain both scope 1 & 2 emissions, which are generated from our hospices and shops, respectively. Further, we have emissions from transport: "grey fleet" transport (personal cars used for business purposes).

STB is currently devising a strategy to reduce our carbon footprint significantly including:

- Reviewing and developing our Car Policy and Drivers Handbook (annual review),
- Encouraging employees to purchase renewable technology cars i.e., hybrids,
- Purchasing energy efficient equipment where appropriate,
- Replacing HVAC systems with energy-efficient equipment where possible,
- Adopting behavioural change measures where possible.

We have a longstanding commitment to tackling climate change. Our calculated carbon footprint for our current financial year is 539.69 tCO<sub>2</sub>e, whilst energy consumption was 2,281,924.30 kWh (2,281.92 MWh).

Accordingly, STB can report figures below, calculated based on the GHG Protocol Corporate Standard using emissions factors from UK government conversion factor (2019 and 2020) guidance. Reporting corresponds with our financial year and reflects emissions from the leased and controlled assets for which STB is responsible.

### Total Emissions

<u>Fuel</u>	<u>Tonnes CO<sub>2</sub> equivalent</u>
Transport	53.15
Gas Oil	124.17
Electricity	274.8
Natural Gas	87.57

**Total** **539.69 tCO<sub>2</sub>e**

Scope 1, 2 and 3 intensity metric **1.52 tCO<sub>2</sub>e**  
(kg CO<sub>2</sub>e/ average per person employed during the financial year)

### Efficiency Measures Taken

- 1) Replaced aging office equipment with energy-efficient products,
- 2) Continual review of car policy and driver's handbook,
- 3) Expanded video conferencing and online meetings (as opposed to F2F meetings).

### Objectives for 2019/2020

- 1) Discussions with landlords over supply contracts with a view to renewable energy,
- 2) Continual review of existing office equipment and company policies.

STB will report on progress within our next set of financial accounts.

## **Trustees statement of compliance with duty to promote success of the charity**

This statement is intended by the Board of Trustees to set out how they have approached and met their responsibilities under s172(1)(a) to (f) of the Companies Act 2006 in the financial period ending 31 December 2019.

Stakeholders of the charity include employees, patients, suppliers and the community in which it operates.

The Trustees', both individually and collectively, consider that they have acted in good faith to promote the success of the charity for the benefit of its stakeholders as a whole (having regard to the matters set out in s172 of the Act) in the decisions taken during the period. In particular:

- To ensure the Board take account of the likely consequences of their decisions in the long term, they receive regular and timely information on all the key areas of the business including financial performance, operational matters, health & safety, environmental reports, risks and opportunities. The charity's performance and progress is also reviewed regularly at Board and senior management meetings.
- The charity's employees are fundamental to the success of the charity and as such the Board continually enhance its methods of engagement. The senior management team routinely provide employees with information on matters of concern, including performance and the financial position, using a variety of formats, including face to face meetings and, since COVID, video briefings. Staff are consulted on matters which are likely to affect their interests, both in groups and, where appropriate, on an individual basis. Interest groups, such as the Diversity & Inclusion Group, are also consulted and informed about potential changes.
- Patient care is the heart of the charity, and it is essential to provide sustainable healthcare true to the charities values; compassion, innovative and integrity. The services have been shaped by various factors such as advances in medicines, increased demand and pressure on the wider healthcare system, which have provided the Board with the opportunity to formulate a new strategy that ensure services and facilities are fit for purpose and available to all those that need them.

The Trustees' intentions are to behave responsibly toward all stakeholders and treat them fairly and equally, so that they all benefit from the long-term success of the charity. The Trustees' have overall responsibility for determining the charity's vision, mission, values and strategy and for ensuring high standards of governance.

The primary aim of the Trustees' is to promote the charity's mission to provide comfort, dignity and choice for adults and children with life limiting illness through specialist and supportive care, ensuring sustainable success of the charity, and contributing to the wider society.

Throughout 2020, the Board will continue to review and challenge how the charity can improve its service to patients and engagement with its employees and other stakeholders.

## Looking Ahead

Our strategy provides a clear line of sight between service delivery and realising our ambitions. The COVID-19 pandemic has and will continue to interrupt our usual business flows. We therefore need to provide assurance to our Board of Trustees that the charity continues to work towards achieving our ambitions, albeit in some circumstances in a different way.

The hospices have the required plans to ensure that the fundamental standards set by Care Quality Commission (CQC) are met. At the same time, provide governance assurance through the adoption of the seven principles laid out by the Charity Governance Code 2017, and ensure the use of data is in line with information governance safeguards. These activities promote a culture where everything works towards fulfilling the needs of the patient and their family.

The care we provide is safe, effective, patient-centred, and responsive. Over the past few weeks, we have reviewed our current policies to ensure they are aligned to the new pandemic guidelines. We have updated our mandatory training staff requirements and expect our organisational completion compliance rate to be at 95% for all areas by December 2020.

To achieve our organisational goals and ambitions, we will:

- ♥ Expand the community support services in line with local needs and commissioning to ensure appropriate support in the preferred place of care.
- ♥ Address the diverse needs in the community and those families and groups that are hard to reach. Continue to provide *Helping Hands* services introduced at the outbreak of the COVID-19 pandemic.
- ♥ Ensure the facilities and the physical environment are appropriate and fit for purpose
- ♥ Address social isolation and loneliness across the community in line with national and local priorities, particularly using our *Helping Hands* programme to support this
- ♥ Continue to develop and maintain an infrastructure that supports the increased need for peripatetic working, and mobile access to information
- ♥ Primary and Secondary Care engagement to ensure holistic support for all patients, their families, and carers
- ♥ Re-align community services to the newly developed Primary Care Networks and seek strong partnerships
- ♥ Continue to build up research capacity and capability across the organisation
- ♥ Expand on the current Education, Learning and Development (ELD) programme, continuing to respond to the local health and care economy need with other Sussex hospices
- ♥ Improve our ability to demonstrate economic value to the NHS, aiming to provide new-funded services to improve care for people who are dying

Finally, the charity will continue to review and invest in the growth of its retail business, fundraising and contractual income in order to continue to diversify income streams in light of the changing healthcare funding environment, to ensure our services reach more people who need them. Considering the changes brought about by the COVID-19 pandemic significant changes will be made to our plans for income and expenditure and these are currently being developed.

As always thank you for all you do to enable us to make a difference to our communities, children, young people and adults, their families, and carers.



# **Independent Auditors' Report To the Members of St Barnabas Hospices (Sussex) Limited**

## **Opinion**

We have audited the financial statements of St Barnabas Hospices (Sussex) Limited for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2020, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report (incorporating the Strategic Report and the Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

## **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 18, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Simon Webber BA FCA (Senior Statutory Auditor)**

**For and on behalf of Kreston Reeves LLP**

Chartered Accountants and Statutory Auditor

Chichester

Date: 5<sup>th</sup> August 2020

**Statement of Financial Activities**  
**(including Income and Expenditure Account)**  
**For the year ended 31 March 2020**

Company Registered no. 0930107

	Note	Restricted Funds 2020 £000	Unrestricted Funds 2020 £000	Total Funds 2020 £000	Total Funds 2019 £000
<b>Income from:</b>					
Income from charitable activities	2	2,521	122	2,643	2,635
Investment income	3	-	779	779	791
Donations and legacies	4	36	7,515	7,551	9,174
Income from trading activities	5	-	5,964	5,964	5,814
Other		-	58	58	83
<b>Total income</b>	<b>7</b>	<b>2,557</b>	<b>14,438</b>	<b>16,995</b>	<b>18,497</b>
<b>Expenditure on:</b>					
Raising funds	6	-	6,592	6,592	6,116
Charitable activities	6	2,554	11,050	13,604	13,194
<b>Total expenditure</b>	<b>6</b>	<b>2,554</b>	<b>17,642</b>	<b>20,196</b>	<b>19,310</b>
<b>Net income / (expenditure) before (losses) / gains on investments</b>	<b>7</b>	<b>3</b>	<b>(3,204)</b>	<b>(3,201)</b>	<b>(813)</b>
Net (losses) / gains on investments	12	-	(1,589)	(1,589)	1,258
<b>Net movement in funds for the year</b>		<b>3</b>	<b>(4,793)</b>	<b>(4,790)</b>	<b>445</b>
<b>Reconciliation of funds:</b>					
Total funds at 1 April 2019		189	46,381	46,570	46,125
Total funds at 31 March 2020	15	192	41,588	41,780	46,570

All activities relate to continuing operations.

The charity has no recognised gains or losses other than the net movement in funds for the year.

The notes on pages 31 to 46 form part of these financial statements.

**Balance Sheet**  
As at 31 March 2020

Company Registered no. 0930107

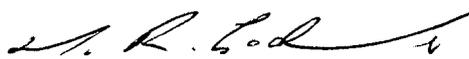
	Note	£000	2020 £000	£000	2019 £000
<b>Fixed assets</b>					
Tangible assets	11		13,570		14,337
Investments	12		23,741		23,903
			<u>37,311</u>		<u>38,240</u>
<b>Current assets</b>					
Stocks		19		15	
Debtors	13	877		732	
Cash at bank		4,524		8,675	
		<u>5,420</u>		<u>9,422</u>	
<b>Creditors: amounts falling due within one year</b>	14	(951)		(1,092)	
<b>Net current assets</b>			<u>4,469</u>		<u>8,330</u>
<b>Total assets less current liabilities</b>			<u>41,780</u>		<u>46,570</u>
<b>NET ASSETS</b>			<u>41,780</u>		<u>46,570</u>
<b>Charity funds</b>					
Restricted funds	15		192		189
Unrestricted funds:					
General fund	15	18,241		17,172	
Designated funds	15	23,206		24,264	
Revaluation reserve	15	141		4,945	
		<u></u>		<u></u>	
Total unrestricted funds			41,588		46,381
<b>TOTAL FUNDS</b>			<u>41,780</u>		<u>46,570</u>

The notes on pages 31 to 46 form part of these financial statements.

Approved and authorised for issue by the trustees on, *3<sup>rd</sup> August 2020* and signed on their behalf, by:



P Woolgar, Chair



M Godsmark, Honorary Treasurer

**Cash Flow Statement**  
**For the year ended 31 March 2020**

Company Registered no. 0930107

	Note	2020 £000	2019 £000
<b>Net cash outflow from operating activities</b>	<b>17</b>	<b>(3,239)</b>	<b>(543)</b>
<b>Cash flows from investing activities</b>			
Income from investments	3	779	791
Payments to acquire tangible fixed assets	11	(264)	(347)
Payments to acquire listed investments	12	(23,050)	(7,925)
Receipts from sales of listed investments	12	21,623	6,786
<b>Net cash outflow from investing activities</b>		<b>(912)</b>	<b>(695)</b>
<b>Decrease in cash and cash equivalents</b>		<b>(4,151)</b>	<b>(1,238)</b>
Cash and cash equivalents at 1 April 2019		8,675	9,913
<b>Cash and cash equivalents at 31 March 2020</b>		<b>4,524</b>	<b>8,675</b>
<b>Cash and cash equivalents consist of:</b>			
<b>Cash at bank and in hand</b>		<b>4,524</b>	<b>8,675</b>

The notes on pages 31 to 46 form part of these financial statements.

# Notes to the Financial Statements

For the year ended 31 March 2020

## 1. Accounting policies

### 1.1 Basis of preparation of financial statements

The charitable company is a private company limited by guarantee incorporated in the UK and registered in England & Wales and constitutes a Public Benefit Entity as defined by FRS 102. The registered office is St Barnabas House, Titnore Lane, Worthing, West Sussex, BN12 6NZ. The financial statements have been prepared under the historical cost convention, with the exception of certain items which are included at market value. The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2019, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015.

The financial statements are prepared under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest thousand pounds.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The charitable company does not need to prepare group accounts and these financial statements only refer to the parent undertaking, not the group. The charitable company is exempt under section 402 of the Companies Act 2006 from the requirement to prepare consolidated accounts on the grounds that under section 405 both of its subsidiary undertakings could be excluded from consolidation as their inclusion is not material.

### 1.2 Going concern

The financial statements are prepared on a going concern basis as the Trustees believe that no material uncertainties exist. After reviewing the charity's forecasts and projections, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

Whilst the impact of COVID-19 has been assessed by the Board, due to its unprecedented impact on the wider economy it is difficult to evaluate with any certainty the potential effect on the charity's activities and the related income and expenditure. However, taking into consideration the UK Government's response, including the grants received by the charity to date, as well as how the charity has adapted to reduce non-core costs, the charity therefore continues to adopt the going concern basis in preparing its financial statements.

### 1.3 Income

Income received is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received. All donations and other forms of voluntary income are recorded when the charity has been notified of the amounts and settlement is expected. Other income, including investment income, is recorded on an accruals basis.

Legacies receivable are included in the financial statements when they satisfy the following three criteria:

- Entitlement - the earlier of the charity being notified of an impending distribution or the legacy being received;
- Probable – receipt is more likely than not and;
- Measurement – the monetary value can be sufficiently reliably measured.

Legacies received as equities are valued as advised by the investment managers. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

## Notes to the Financial Statements

### For the year ended 31 March 2020

Donated facilities and donated professional services are recognised as an income at their fair value where the provider of the service has incurred a financial cost. Fair value is determined on the basis of the value of the gift to the charity. A corresponding amount is recognised in expenditure. Volunteer time is not included in the financial statements.

Grants are recognised in full in the Statement of Financial Activities in the year in the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received. Grants for the purchase of fixed assets are credited to restricted income when receivable.

Gifts in kind donated for resale are included at fair value. Where it is impracticable to fair value the items on donation due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from trading activities'.

#### 1.4 Expenditure

Expenditure is recognised on an accruals basis.

Expenditure is allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity comprising the salary and overhead costs of the central function is apportioned on an estimate of the staff time attributable to each activity.

Fundraising costs comprise costs incurred in inducing people and organisations to contribute financially to the charity's work. Costs of charitable activities are those costs incurred in relation to the objectives of the charity.

Governance costs are associated with meeting the constitutional and statutory arrangements of the charity, including external audit and the cost of preparing statutory accounts, the cost of trustees' meetings and other costs involved with the charity's strategic management.

#### 1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at deemed cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	- straight line over 30 years
Leasehold property: shops	- straight line over period of the lease
Leasehold property: children's hospice	- straight line over 30 years
Motor vehicles	- 25% per annum straight line
Fixtures, fittings & equipment	- 10 or 25% per annum straight line
Freehold land	- not depreciated

Assets costing less than £5,000, and all computer equipment, are written off to expenditure in the year of acquisition. Assets under construction are not depreciated until the asset is brought into use.

#### 1.6 Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

#### 1.7 Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other income receivable or generated for the objects of the charity. Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

#### 1.8 Operating leases

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the Statement of Financial Activities in the year in which they fall due.

## Notes to the Financial Statements

For the year ended 31 March 2020

### 1.9 Investments

Listed investments are stated at market value. Realised and unrealised gains and losses on investments are dealt with in the Statement of Financial Activities and investment income plus associated tax recoverable, is credited to income on an accruals basis. Investment management costs are charged as expenditure out of the relevant income funds.

Investments in subsidiaries are stated at cost less provision for diminution in value.

### 1.10 Pension costs

The charity has operated a defined benefit scheme on behalf of its employees – the NHS Pension Scheme. This scheme is a multi-employer scheme where assets and liabilities of the scheme, applicable to each employer, are not separately identified. Therefore, the pension charge recorded in these financial statements is the amount of contributions payable on a defined contribution basis in the accounting year, plus any deficit funding agreed during the year to be paid in future years, in accordance with Financial Reporting Standard 102.

In addition, one defined contribution scheme is operated by the charity. Contributions payable are charged in the period to which they relate. Further information on the pension schemes can be found in note 18.

### 1.11 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

### 1.12 Judgements and key sources of estimation uncertainty

In applying the above accounting policies, the Trustees are required to make judgements and estimates. The key judgements applied in these financial statements are in determining the allocation of funds as restricted or designated. The key sources of estimation uncertainty relate to the recognition of income from legacies where the actual amount received may differ from that initially recognised. Tangible fixed assets are stated at their deemed cost less provision for depreciation, the charity at acquisition determines the reliable estimates for the useful life of the asset and its residual value. These estimates are based upon factors such as the expected use of the acquired asset and market conditions. At subsequent reporting dates the trustees consider whether there are any factors that indicate that there would be a need to reconsider the estimates used.

### 1.13 Termination benefits

It is the charity's policy to recognise termination benefits when they become committed, by legislation, by contractual or other agreements with employees or their representatives or by constructive obligation based on business practice, custom or a desire to act equitably, to make payments (or provide other benefits) to employees when it terminates their employment. Termination payments do not provide the charity with future economic benefits therefore it is their policy to recognise them as an expense in the profit or loss immediately.

## Notes to the Financial Statements

### For the year ended 31 March 2020

#### 2. Income from charitable activities

	Restricted funds 2020 £000	Unrestricted funds 2020 £000	Total funds 2020 £000	Restricted funds 2019 £000	Unrestricted funds 2019 £000	Total funds 2019 £000
NHS grants	1,607	-	1,607	1,584	-	1,584
Contractual income	914	46	960	758	218	976
Other grants	-	15	15	-	13	13
Education income	-	61	61	-	62	62
	<b>2,521</b>	<b>122</b>	<b>2,643</b>	<b>2,342</b>	<b>293</b>	<b>2,635</b>

The charity received a restricted grant from the Coastal West Sussex Clinical Commissioning Group (CCG) of £1,355k (2019 - £1,353k) for the adult hospice. The charity received a restricted grant from NHS England of £252k (2019 - £231k) for the children's hospice.

Statutory contract income of £960k (2019: £976k) was received for the provision of care at both hospices from local county councils and Coastal West Sussex CCG.

#### 3. Investment income

	2020 £000	2019 £000
Income from listed investments	720	723
Interest receivable	59	68
Total unrestricted investment income	<b>779</b>	<b>791</b>

#### 4. Income from donations and legacies

	Restricted funds 2020 £000	Unrestricted funds 2020 £000	Total funds 2020 £000	Restricted funds 2019 £000	Unrestricted funds 2019 £000	Total funds 2019 £000
Retail gift aid donations	-	189	189	-	174	174
Donations	36	3,619	3,655	382	3,666	4,048
Legacies	-	3,707	3,707	-	4,952	4,952
	<b>36</b>	<b>7,515</b>	<b>7,551</b>	<b>382</b>	<b>8,792</b>	<b>9,174</b>

The Charity has £385k (2019 - £400k) in contingent assets in respect of potential legacy income. This relates to outstanding legacies at the year-end, expected to be received in the next financial year.

## Notes to the Financial Statements

### For the year ended 31 March 2020

#### 5. Income and expenditure from raising funds

	Retail 2020 £000	Lottery 2020 £000	Fundraising 2020 £000	Total 2020 £000	Total 2019 £000
Legacies (note 4)	-	-	3,707	3,707	4,952
Donations and retail gift aid donations (note 4)	189	-	3,655	3,844	4,222
Income from trading activities	2,878	2,190	896	5,964	5,814
Income from raising funds	3,067	2,190	8,258	13,515	14,988
Salary costs (note 6)	1,253	113	1,480	2,846	2,610
Other costs (note 6)	947	749	1,241	2,937	2,626
Expenditure on raising funds	2,200	862	2,721	5,783	5,236
Surplus before support costs and depreciation	867	1,328	5,537	7,732	9,752
Support costs (note 6)	378	35	396	809	836
Total contribution from raising funds	489	1,293	5,141	6,923	8,916

Support salaries are included in support costs.

Included within the income from trading activities are retail sales of £756k (2019 - £696k) relating to the proceeds of sales made on behalf of donors under the retail gift aid scheme. The associated gift aid claimed of £189k (2019 - £174k) is shown as donations.

In the year ended 31 March 2020, of the total income from trading activities, £36k (2019 - £382k) was to restricted funds

<b>Comparative information</b>	Retail 2019 £000	Lottery 2019 £000	Fundraising 2019 £000	Total 2019 £000
Legacies (note 4)	-	-	4,952	4,952
Donations (note 4)	174	-	4,048	4,222
Income from trading activities	2,812	2,002	1,000	5,814
Income from raising funds	2,986	2,002	10,000	14,988
Salary costs (note 6)	1,130	106	1,374	2,610
Other costs (note 6)	838	527	1,261	2,626
Expenditure on raising funds	2,152	633	2,635	5,236
Surplus before support costs and depreciation	1,018	1,369	7,365	9,752
Support costs (note 6)	381	34	421	836
Total contribution from raising funds	637	1,335	6,944	8,916

## Notes to the Financial Statements

### For the year ended 31 March 2020

6. Total expenditure	Staff costs excluding support salaries	Other costs	Support costs including support salaries	Total 2020	Total 2019
	£000	£000	£000	£000	£000
<b>Charitable activities</b>					
<b>St Barnabas House</b>					
Inpatient services	2,593	844	415	3,852	3,741
Community team services	1,495	154	222	1,871	1,674
Hospice at home	950	117	187	1,254	1,270
Day hospice	358	303	85	746	693
Outpatients service	282	127	69	478	395
Family services	304	107	62	473	415
Education	161	80	25	266	215
	6,143	1,732	1,065	8,940	8,403
<b>Chestnut Tree House</b>					
In house services	2,173	613	425	3,211	3,355
Community team services	941	230	262	1,433	1,416
Education	16	2	2	20	20
	3,130	845	689	4,664	4,791
<b>Total charitable activities</b>	<b>9,273</b>	<b>2,577</b>	<b>1,754</b>	<b>13,604</b>	<b>13,194</b>
<b>Raising funds</b>					
Lotteries	113	749	35	897	667
Fundraising	1,480	1,241	396	3,117	3,056
Retail	1,253	947	378	2,578	2,393
	2,846	2,937	809	6,592	6,116
<b>Total expenditure</b>	<b>12,119</b>	<b>5,514</b>	<b>2,563</b>	<b>20,196</b>	<b>19,310</b>

#### Support cost allocation

	Raising funds £000	Charitable activities £000	Total 2020 £000	Total 2019 £000
Support staff costs	392	851	1,243	1,375
Premises, technology and other costs	417	903	1,320	1,393
	809	1,754	2,563	2,768

In the year ended March 2020, £2,554k of the total expenditure on charitable activities was from restricted funds, (2019: £2,683k).

Governance costs of £19k (2019: £19k) relating to auditors remuneration (note 10), trustees' insurance and expenses (note 8) are included within 'Premises, technology and other costs'.

## Notes to the Financial Statements

### For the year ended 31 March 2020

#### Total Expenditure (continued)

##### Comparative information

	Staff costs excluding support salaries	Other costs	Support costs including support salaries	Total 2019
	£000	£000	£000	£000
<b>Charitable activities</b>				
<b>St Barnabas House</b>				
Inpatient services	2,340	985	416	3,741
Community team services	1,299	168	207	1,674
Hospice at home	898	117	255	1,270
Day hospice	333	263	97	693
Outpatients service	256	67	72	395
Family services	260	98	57	415
Education	153	43	19	215
	<b>5,539</b>	<b>1,741</b>	<b>1,123</b>	<b>8,403</b>
<b>Chestnut Tree House</b>				
In house services	2,155	652	548	3,355
Community team services	994	163	259	1,416
Education	16	2	2	20
	<b>3,165</b>	<b>817</b>	<b>809</b>	<b>4,791</b>
<b>Total charitable activities</b>	<b>8,704</b>	<b>2,558</b>	<b>1,932</b>	<b>13,194</b>
<b>Raising funds</b>				
Lottery	106	527	34	667
Fundraising	1,334	1,261	421	3,056
Retail	1,130	882	381	2,393
	<b>2,610</b>	<b>2,670</b>	<b>836</b>	<b>6,116</b>
<b>Total expenditure</b>	<b>11,314</b>	<b>5,228</b>	<b>2,768</b>	<b>19,310</b>
<b>Support cost allocation</b>				
		<b>Raising funds</b>	<b>Charitable activities</b>	<b>2019</b>
		<b>£000</b>	<b>£000</b>	<b>£000</b>
Support staff costs		415	960	1,375
Premises, technology and other costs		421	972	1,393
		<b>836</b>	<b>1,932</b>	<b>2,768</b>

## Notes to the Financial Statements

### For the year ended 31 March 2020

#### 7. Income and expenditure split between the hospices

	St Barnabas House £000s	Chestnut Tree House £000s	Total 2020 £000s	Total 2019 £000s
Income from charitable activities (note 2)	2,236	407	2,643	2,635
Investment income (note 3)	707	72	779	791
Legacies (note 4)	3,057	650	3,707	4,952
Lotteries (note 5)	413	1,777	2,190	2,002
Fundraising (note 5)	1,736	2,815	4,551	5,047
Retail (note 5)	1,682	1,385	3,067	2,987
Other income	53	5	58	83
<b>Total income</b>	<b>9,884</b>	<b>7,111</b>	<b>16,995</b>	<b>18,497</b>
St Barnabas House care costs	8,940	-	8,940	8,403
Chestnut Tree House care costs	-	4,664	4,664	4,791
Lotteries	105	792	897	667
Fundraising	1,022	2,095	3,117	3,056
Retail	1,275	1,303	2,578	2,393
<b>Total expenditure (note 6)</b>	<b>11,342</b>	<b>8,854</b>	<b>20,196</b>	<b>19,310</b>
<b>Net expenditure before (losses) / gains on investments</b>	<b>(1,458)</b>	<b>(1,743)</b>	<b>(3,201)</b>	<b>(813)</b>

#### 8. Trustees and key management personnel remuneration and expenses

None of the trustees (or any persons connected with them) received any remuneration during this or the previous year. Trustees were reimbursed for governance subscriptions and travelling expenses of £946 (2019 - £44). Trustees' indemnity insurance of £1,596 (2019 - £1,596) is paid by the charity.

The total amount of employee remuneration and benefits received by key management personnel (defined as the Senior Management Team) is £438,540, (2019 - £680,845).

## Notes to the Financial Statements

### For the year ended 31 March 2020

#### 9. Staff costs

The average monthly number of employees during the year was as follows:

	2020 number	2019 number
St Barnabas House	153	163
Chestnut Tree House	96	84
Education	4	4
Income generation	105	98
Governance	1	1
	359	350

The average number of employees above is based on full-time equivalents. The average monthly head count was 452 (2019 - 445).

The number of higher paid employees was:

	2020 number	2019 number
In the band £60,001 - £70,000	-	3
In the band £70,001 - £80,000	5	3
In the band £80,001 - £90,000	2	1
In the band £90,001 - £100,000	-	1
In the band £100,001 - £110,000	-	2
	7	10

The number of higher paid employees fell in 2020 due to changes in the Executive Team during the year (as shown on page 19). This resulted in some of the Executive Team only receiving remuneration for part of the financial year which was therefore below the relevant thresholds.

The aggregate pension contributions made by the charity on behalf of higher paid staff was £52,036 (2019 - £116,888). The number of higher paid staff accruing benefits in defined contribution and defined benefit pension schemes was 6 and 1 respectively (2019 - 6 and 4).

Employment costs	2020 £000	2019 £000
Wages and salaries	11,191	10,833
Social security costs	1,000	943
Other pension costs	956	906
	13,147	12,682

#### 10. Net (expenditure)/income

Net (expenditure)/income is stated after charging:

	2020 £000	2019 £000
Depreciation of tangible fixed assets (note 11)	1,031	972
Operating lease rentals - land and building	399	401
Auditors' remuneration - audit fees	16	16
Auditors' remuneration - other services	1	1
	1,447	1,390

## Notes to the Financial Statements

### For the year ended 31 March 2020

#### 11. Tangible fixed assets

	Freehold property shops £000	Freehold land and buildings £000	Leasehold property £000	Fixtures, fittings and equipment £000	Motor vehicles £000	Total £000
<b>Cost or valuation</b>						
Balance b/f	495	13,015	5,333	4,187	546	23,576
Additions	-	-	-	264	-	264
<b>Balance c/f</b>	<b>495</b>	<b>13,015</b>	<b>5,333</b>	<b>4,451</b>	<b>546</b>	<b>23,840</b>
<b>Depreciation</b>						
Balance b/f	95	2,808	2,666	3,206	464	9,239
Charge for the year	19	351	188	449	24	1,031
<b>Balance c/f</b>	<b>114</b>	<b>3,159</b>	<b>2,854</b>	<b>3,655</b>	<b>488</b>	<b>10,270</b>
<b>Net book value</b>						
<b>At 31 March 2020</b>	<b>381</b>	<b>9,856</b>	<b>2,479</b>	<b>796</b>	<b>58</b>	<b>13,570</b>
<i>At 31 March 2019</i>	<i>400</i>	<i>10,207</i>	<i>2,667</i>	<i>981</i>	<i>82</i>	<i>14,337</i>

The Freehold property shops, consisting of units at Rustington, Wick and Ferring, were professionally valued in March 2014 by C G Spratt and Son Limited, estate agents, surveyors and valuers, on an open market basis at £125,000, £220,000 and £150,000 respectively (total of £495,000) and are recognised as deemed cost on transition to SORP 2015 (FRS 102). These assets are being depreciated from their valuation date.

The historic cost of these shops at Rustington, Wick and Ferring is £45,000, £124,716 and £142,500 respectively.

Leasehold property, above, relates to leasehold property with less than 30 years remaining at the balance sheet date. There are no leases with more than 30 years remaining at the balance sheet date.

## Notes to the Financial Statements

For the year ended 31 March 2020

### 12. Fixed Asset Investments

Listed investments	2020 £000	2019 £000
Market value 1 April 2019	23,903	21,506
Disposals	(21,623)	(6,786)
Acquisitions	23,050	7,925
Revaluations	(1,589)	1,258
Market value 31 March 2020	23,741	23,903
Historic cost 31 March 2020	25,155	19,106

During the year the investment portfolio was transferred from Rathbones to Aberdeen Standard Capital. This resulted in a number of investments being recognised as disposed and re-acquired with a corresponding change in the historic cost.

### Investments in subsidiaries

	Country of registration or incorporation	Class	Shares held %
St Barnabas Hospice (Worthing) Projects Ltd, co reg 3827427	England and Wales	Ordinary	100
St Barnabas Hospices (Sussex) Trading Ltd, co reg 07157835	England and Wales	Ordinary	100

The aggregate value of capital and reserves and the results for these undertakings for the financial year are as follows:

	Turnover £000	Expenditure £000	Profit for the year £000	Capital and reserves £000
St Barnabas Hospice (Worthing) Projects Limited	-	-	-	-
St Barnabas Hospices (Sussex) Trading Limited	127	(61)	£66	-

The profit of £66,191 (2019 - £52,669) was gift aided from St Barnabas Hospices (Sussex) Trading Ltd to St Barnabas Hospices (Sussex) Ltd.

## Notes to the Financial Statements

### For the year ended 31 March 2020

#### 13. Debtors

	2020 £000	2019 £000
Other debtors	373	256
Prepayments and accrued income	504	476
	<u>877</u>	<u>732</u>

#### 14. Creditors: Amounts falling due within one year

	2020 £000	2019 £000
Trade creditors	247	265
Other taxation and social security	255	245
Other creditors	208	229
Accruals and deferred income	241	353
	<u>951</u>	<u>1,092</u>

## Notes to the Financial Statements

For the year ended 31 March 2020

### 15. Statement of funds

	Brought forward £000	Income £000	Expenditure £000	Transfers in/(out) £000	Gains/ (losses) £000	Carried forward £000
<b>Designated funds</b>						
Tangible fixed assets	14,189	-	(1,031)	271	-	13,429
Legacy equalisation	8,575	-	(256)	(1,500)	-	6,819
CTH development	1,500	-	(42)	-	-	1,458
St Barnabas development	-	-	-	1,500	-	1,500
	24,264	-	(1,329)	271	-	23,206
<b>Unrestricted funds</b>						
General fund	17,172	14,438	(16,313)	2,944	-	18,241
Revaluation reserve	4,945	-	-	(3,215)	(1,589)	141
	22,117	14,338	(16,313)	(271)	(1,589)	18,382
<b>Total unrestricted funds</b>	<b>46,381</b>	<b>14,338</b>	<b>(17,642)</b>	<b>-</b>	<b>(1,589)</b>	<b>41,588</b>

The Trustees have designated funds in several areas:-

- The tangible fixed assets fund represents charitable funds invested in operational fixed assets. The assets will be used throughout the time of activity of the charity.
- The legacy equalisation reserve represents receipts of legacies in any one year over and above 125% of the budget amount and will be used to make up any shortfall in the legacy budget in any future years.
- The CTH Development fund represents funds set aside to finance the extension and refurbishment at the children's hospice. In the year ended 31 March 2020 £42k was spent on professional fees in respect of architect and surveyor's costs.
- The St Barnabas development fund of £1.5m represents the funds set aside for the development of adult services at the adult hospice.

Expenditure from the fixed assets designated fund represents the annual depreciation on the deemed cost of those assets.

The transfer into the fixed assets designated fund from the general fund relates to the element of the depreciation charge in excess of that charged on the historic cost.

The transfer from the legacy equalisation fund to the St Barnabas development fund represents the amount designated by Trustees in the year.

The transfer from the revaluation reserve to the general fund relates to gains on investments that have now been realised.

## Notes to the Financial Statements

For the year ended 31 March 2020

### Statement of funds (continued)

	Brought forward £000	Income £000	Expenditure £000	Gains/ (losses) £000	Carried forward £000
Operating and equipment fund	189	201	(198)	-	192
NHS Coastal CCG grant - adult hospice	-	1,355	(1,355)	-	-
Department of Health - children's hospice	-	252	(252)	-	-
Contracted income	-	185	(185)	-	-
Hospice at home	-	564	(564)	-	-
	189	2,557	(2,554)	-	192
<b>Total funds</b>	<b>46,570</b>	<b>16,995</b>	<b>(20,196)</b>	<b>(1,589)</b>	<b>41,780</b>

Restricted funds for the charity are split into four main areas: -

- The adult and children's hospice operating and equipment funds represent donations made for specific equipment purchases and running costs in the hospices.
- The NHS Coastal West Sussex CCG grant is provided to cover partial operating costs of the adult hospice and the NHS Department of Health grant is provided to cover partial operating costs in the children's hospice.
- Coastal West Sussex CCG and Local County Councils provide contracted income for adults and children respectively for the relevant hospice.
- The Hospice at Home fund represents specific income from the Sussex Community NHS Foundation Trust towards this service.

## Notes to the Financial Statements

For the year ended 31 March 2020

### 16. Analysis of net assets between funds

	Restricted funds 2020 £000	Unrestricted funds 2020 £000	Total funds 2020 £000
Tangible fixed assets	-	13,570	13,570
Fixed asset investments	-	24,741	23,741
Current assets	192	5,228	5,420
Creditors due within one year	-	(951)	(951)
	192	41,588	41,780

#### Comparative information

	Restricted funds 2019 £000	Unrestricted funds 2019 £000	Total funds 2019 £000
Tangible fixed assets	-	14,337	14,337
Fixed asset investments	-	23,903	23,903
Current assets	189	9,233	9,422
Creditors due within one year	-	(1,092)	(1,092)
	189	46,381	46,570

### 17. Reconciliation of net expenditure to net cash flow from operating activities

	2020 £000	2019 £000
<b>Net (expenditure)/income for year</b>	(4,790)	445
Deduct: interest and dividend income shown in investing activities	(779)	(791)
<i>Adjust for non-cash items:</i>		
Depreciation of tangible fixed assets	1,031	972
Net loss/(gains) on investments	1,589	(1,258)
<i>Adjust for working capital:</i>		
(Increase) in stocks	(4)	(7)
(Increase)/Decrease in debtors	(145)	(65)
Increase/(Decrease) in creditors	(141)	161
<b>Net cash inflow from operating activities</b>	(3,239)	(543)

## Notes to the Financial Statements

For the year ended 31 March 2020

### 18. Pensions

#### **Royal London Group Personal Pension Plan**

This scheme is a defined contribution scheme, open to all employees under auto enrolment.

#### **NHS Pension Scheme**

The NHS Pension Scheme is an unfunded occupational scheme backed by the Exchequer, which is open to all NHS employees and employees of other approved organisations. The Scheme provides pensions, based on final salary, in varying circumstances for employees of participating employers. As such, it is not possible for St Barnabas to identify its share of the assets and liabilities of the underlying scheme.

The Exchequer also funds the year on year difference between the Scheme's contribution income and the actuarially assessed growth in scheme liability, interest charges and other in-year increases in liability.

### 19. Commitments under operating leases

At 31 March 2020 the Charity had future minimum lease payments under non-cancellable operating leases as follows:

	Land & buildings	
	2020	2019
	£000	£000
<b>Falling due:</b>		
Not later than 1 year	287	309
Later than 1 year and not later than 5 years	457	707
Later than 5 years	55	92
	<hr/>	<hr/>
	799	1,108

### 20. Related party transactions

Gifted income of £66,191 (2019: £52,669) was received from St Barnabas Hospices (Sussex) Trading Ltd, a wholly owned subsidiary. At the balance sheet date, the amount due to St Barnabas Hospices (Sussex) Ltd was £15,606 (2019 – £11,205).

During the current and prior year, there were no transactions with St Barnabas Hospice (Worthing) Projects Ltd, a wholly owned subsidiary. At the balance sheet date, the amount due from / (to) St Barnabas Hospices (Sussex) Ltd was £nil (2019 - £nil).

During the year, the charity received £20k (2019 – £0) from Leo House Children's Hospice. This was receipt of a grant for the work carried out by community nurses at Chestnut Tree House. This grant arrangement has been in place for a number of years. Mr A Clark is a Trustee of both Leo House and St Barnabas Hospices (Sussex) Limited. The grant agreement was already in place before Mr A Clark was appointed a Trustee for the charity.

### 21. Financial instruments

The carrying amounts of the Charity's financial instruments are as follows:

	2020	2019
	£000	£000
<b>Financial assets:</b>		
Measured at fair value through net expenditure:		
- Fixed asset listed investments (note 12)	23,741	23,903

The income, expenses, net gains and net losses attributable to the charity's financial instruments are summarised as follows:

	2020	2019
	£000	£000
<b>Income and expense:</b>		
Income from financial assets measured at fair value through net expenditure	720	723
Interest income from financial assets measured at amortised cost	59	68
<b>Net gains and losses (including changes in fair value):</b>		
Gains on financial assets measured at fair value through net expenditure	(1,589)	1,337

## Advisors to the Charity

### **Auditor**

Kreston Reeves LLP  
9 Donnington Park  
85 Birdham Road  
CHICHESTER  
West Sussex  
PO20 7AJ

### **Solicitors (until end June 2019)**

Blake Morgan  
New Kings Court  
EASTLEIGH  
Hampshire  
SO53 3LG

### **Investment Advisers (until June 2019)**

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159 New Bond Street  
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### **Bankers**

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